# Wisconsin Legislative Council ACT MEMO



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#### 2023 Wisconsin Act 120 [2023 Senate Bill 741]

#### Changes Requested by the Wisconsin Ethics Commission

## 2023 WISCONSIN ACT 120

Act 120 makes changes requested by the Wisconsin Ethics Commission relating to campaign finance, conduits, and lobbying; open records requests for certain commission records; and open meetings provisions applicable to commission meetings.

#### **Campaign Finance – Terminating or Suspending Inactive Committees**

The act generally authorizes a filing officer to terminate any candidate committee, other committee, or conduit ("registrant") that has been exempt from filing campaign finance reports for more than three years. However, a local filing officer cannot terminate a registrant if any of the following have occurred: (1) the candidate held an elective office in the prior three years; (2) the registrant filed a new or amended registration statement in the prior three years; or (3) the registrant responded within 60 days after being contacted by the filing officer.

The act also authorizes the Ethics Commission to suspend a registrant for failing to comply with campaign finance filing requirements, if the registrant also fails to respond to communications and notices sent by the commission.

#### Campaign Finance - Second Candidate Committee

Act 120 makes changes to regulations applicable when an individual who holds a state or local office forms a second candidate committee to seek a different state or local office. The act specifies methods for transferring funds between candidate committees, reporting transfers between candidate committees, and disposing of funds after termination of one or both committees.

### Campaign Finance - Reporting Express Advocacy

Any person engaging in certain express advocacy exceeding \$2,500 within 60 days of an election and involving an identified candidate must report this activity. The act clarifies that this reporting applies to express advocacy that **occurs** during the 60 days prior to an election, and requires the reports to include dates on which financial obligations were incurred, names and addresses of obligees, the purposes for incurring the obligations, and the amounts incurred for each act of express advocacy.

#### **Campaign Finance - Registration Statement Information**

The act requires registrants to provide additional information when submitting a registration statement. Under the act, a person who files a statement must include the email address and phone number of the candidate (if applicable), the committee treasurer, and any other custodian of committee books and records. Phone numbers are confidential and are not subject to disclosure pursuant to a public records request.

#### **Campaign Finance – Conduit Filing Fee**

Act 120 requires conduits to pay a \$100 annual filing fee to the Ethics Commission, but the requirement does not apply in a year in which a conduit releases contributions totaling \$2,500 or less.

#### Lobbying - Contribution Window

State law allows a lobbyist to make a personal contribution to a partisan elected state official or candidate for a state office between the first day for circulating nomination papers for a general election or special election and the date of the election. Act 120 clarifies that only a special election to fill a vacancy in a state office opens the lobbyist contribution window.

#### Public Records - Additional Releases

State law generally protects Ethics Commission records related to an investigation against disclosure, but specifically requires the release of certain commission records. These include records relating to commission action authorizing the filing of a civil complaint, referring a matter to a prosecutor, finding that a complaint does not raise a reasonable suspicion that a violation occurred, or finding that no probable cause exists to believe a violation occurred following an investigation.

Act 120 adds additional records to the list of records the Ethics Commission must release. Under the act, the commission must release records relating to commission action issuing a warning, records indicating a commission decision to take no further action, and records relating to certain commission action on audits. The audit-related records that the commission must release include: those containing a finding of no reasonable suspicion that a violation occurred; a finding of no probable cause that a violation occurred; a decision to take no further action following an initial reasonable suspicion or probable cause finding; and those relating to issuance of a warning, the filing of a civil complaint, or a referral to a prosecutor.

#### Public Records - Nondisclosures

State law prohibits the Ethics Commission from releasing certain records in its possession, including certain personal information of individuals applying for a lobbying license. Act 120 also prohibits the release of records created in the course of conducting an audit to identify a potential ethics, campaign finance, or lobbying violation, other than records relating to a commission action on an audit described in the preceding section.

#### **Closed Meetings - Discussions That Cannot be Held Publicly**

Act 120 requires the Ethics Commission to meet in closed session to consider whether there is reasonable suspicion or probable cause to believe that a violation occurred based on a complaint filed with the commission or based on an audit report.

Effective date: March 16, 2024

For a full history of the bill, visit the Legislature's bill history page.

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